

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 565**  
96TH GENERAL ASSEMBLY

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Reported from the Committee on Small Business, Insurance and Industry, March 22, 2012, with recommendation that the Senate Committee Substitute do pass.

4703S.02C

TERRY L. SPIELER, Secretary.

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**AN ACT**

To repeal section 376.961, RSMo, and to enact in lieu thereof one new section relating to the board of directors of the Missouri health insurance pool.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 376.961, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 376.961, to read as follows:

376.961. 1. There is hereby created a nonprofit entity to be known as the  
2 "Missouri Health Insurance Pool". All insurers issuing health insurance in this  
3 state and insurance arrangements providing health plan benefits in this state  
4 shall be members of the pool.

5       2. **On December 31, 2012, the terms of the eight current members**  
6 **of the board of directors shall expire.** Beginning January 1, [2007] **2013**,  
7 the board of directors shall consist of the director of the department of insurance,  
8 financial institutions and professional registration or the director's designee, [and  
9 eight] **four** members appointed by the [director] **governor, with the advice**  
10 **and consent of the senate, and the four ex officio legislative members**  
11 **described in subsection 3 of this section.** Of the initial [eight] **four**  
12 members appointed, [three] **two** shall serve a three-year term, [three shall serve  
13 a two-year term,] and two shall serve a one-year term. All subsequent  
14 appointments to the board shall be for three-year terms. Members of the board  
15 shall have a background and experience in health insurance plans or health  
16 maintenance organization plans, in health care finance, or as a health care  
17 provider or a member of the general public; except that, the [director] **governor**  
18 shall not be required to appoint members from each of the categories listed. The

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

19 [director] **governor** may reappoint members of the board **other than the eight**  
20 **appointed members sitting on the board prior to January 1, 2013.** The  
21 [director] **governor** shall fill vacancies on the board in the same manner as  
22 appointments are made at the expiration of a member's term and may remove any  
23 member of the board for neglect of duty, misfeasance, malfeasance, or  
24 nonfeasance in office.

25 3. Beginning [August 28, 2007] **January 1, 2013**, the board of directors  
26 shall consist of [fourteen] **nine** members. The board shall consist of the director  
27 and the [eight] **four** members described in subsection 2 of this section and shall  
28 consist of the following additional [five] **four** members:

29 (1) [One member from a hospital located in Missouri, appointed by the  
30 governor, with the advice and consent of the senate;

31 (2)] Two members of the senate, with one member from the majority party  
32 appointed by the president pro tem of the senate and one member of the minority  
33 party appointed by the president pro tem of the senate with the concurrence of  
34 the minority floor leader of the senate; and

35 [(3)] **(2)** Two members of the house of representatives, with one member  
36 from the majority party appointed by the speaker of the house of representatives  
37 and one member of the minority party appointed by the speaker of the house of  
38 representatives with the concurrence of the minority floor leader of the house of  
39 representatives.

40 4. The members appointed under subsection 3 of this section shall serve  
41 in an ex officio capacity. [The terms of the members of the board of directors  
42 appointed under subsection 3 of this section shall expire on December 31, 2009.  
43 On such date, the membership of the board shall revert back to nine members as  
44 provided for in subsection 2 of this section.]

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